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Deputy Commissioner
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JAN 20 2011

LOS ANGELES
SUPERIOR COURT

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES

THE PEOPLE OF THE STATE OF
CALIFORNIA, by and through the
CALIFORNIA CORPORATIONS
COMMISSIONER,

Plaintiff,

vs.

CANAM CAPITAL CORP. a Nevada
corporation; PREMIER EQUITY FUND, LLC,
a Nevada limited liability company; PREMIER
EQUITY FUND II, LLC, a Nevada limited
liability company; PREMIER EQUITY FUND
III, LLC, a Nevada limited liability company;
PREMIER EQUITY FUND IV, LLC, a Nevada
limited liability company; JAY JORDAN
BARNHARDT, as an individual; KELLY
KEITH MORGAN, as an individual; AARON
KANE BARNHARDT, as an individual, and
Does 1 through 10, inclusive,

Defendants.

And

POWER RESEARCH CORP., a California
corporation; SANTA RITA PARTNERS, INC.,
a California corporation; STEVE BOWLING
HERATY, as an individual, and Relief Does 1-
10, inclusive,

Relief Defendants.

Case No.: BC453286

~~(PROPOSED)~~ TEMPORARY RESTRAINING
ORDER; ASSET FREEZE; APPOINTMENT
OF A RECEIVER; AND ORDER TO SHOW
CAUSE RE: PRELIMINARY INJUNCTION

(Corporations Code sections 25110, 25401,
25530 and CCP 527(c)(2)(C), CA Rules of
Court sections 3.1175(a), 3.1201, 3.1202,
3.1204(b)(3); Gov. Code section 6103)

DATE:
TIME:
DEPT:

1 TO ALL DEFENDANTS AND THEIR COUNSEL OF RECORD:

2 The Ex Parte Application for Temporary Restraining Order; Asset Freeze; Appointment of
3 Receiver; and Order To Show Cause Re: Preliminary Injunction, came on regularly at the above
4 date and time and in the department indicated. Plaintiff, the People of the State of California by
5 and through the California Corporations Commissioner ("Commissioner") was represented by
6 Senior Corporations Counsel Mary Ann Smith.

7 After consideration of Plaintiff's Ex Parte Application, Complaint, Memorandum of Points
8 and Authorities in support thereof, Declarations in support thereof; and other supporting
9 declarations and exhibits filed by Plaintiff in this action, and FOR GOOD CAUSE APPEARING
10 IT IS HEREBY ORDERED THAT:

11 Pursuant to Code of Civil Procedure section 527(d)(1), an Order to Show Cause hearing
12 shall be held on 2/10, 2011, at 9:30 a.m./~~p.m.~~, in Department 86 of this Court, at
13 which time Defendants shall show why a preliminary injunction should not be granted. The
14 hearing shall be held in accordance with Code of Civil Procedure section 527(e).

15 The following briefing schedule shall apply: If Defendants choose to submit written
16 statements or objections to the issuance of a preliminary injunction, papers must be filed in Dept.
17 86 ~~with the Court~~ no later than 2/3, 2011, by ~~at~~ 4:00 a.m./p.m., and served by facsimile
18 or personally ~~and overnight mail~~ on Mary Ann Smith, Senior Corporations Counsel 1515 K Street,
19 Suite 200, Sacramento, CA 95814, telephone (9916) 322-6067, facsimile (916) 445-6985. If the
20 California Corporations Commissioner chooses to file a reply, papers must be filed in Dept. 86 no
21 later than 2/7, 2011, by ~~at~~ 4:00 a.m./p.m., and served by facsimile or personally ~~and~~
22 ~~overnight mail~~ on the Defendants ~~at the attorney's business address~~.

23
24 A copy of the Ex Parte Application, the Order Issuing this Temporary Restraining Order,
25 the Complaint, the Memorandum of Points and Authorities in support thereof, the Declarations in
26 support thereof, and all other exhibits in support thereof, together with a copy of the Order to
27 Show Cause shall be served on all Defendants no later than 1/27, 2011, pursuant to the
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1 Code of Civil Procedure section 527(d)(2) and California Rules of Court section 3.1176(b) and
2 P.O.S. filed in this department on the same day.

3 IT IS FURTHER ORDERED THAT:

4 1. A Temporary Restraining Order issue restraining and enjoining all Defendants,
5 their officers, directors, successors in interest, agents, employees, attorneys in fact, and all persons
6 acting in concert or participating with them, or any of them, except the Receiver in the lawful
7 exercise of his duties under the receivership, from directly or indirectly:

8 a. Selling or purchasing or offering to sell or purchase any security as defined by
9 California law, without first qualifying that security as required by law.

10 b. Violating Corporations Code Section 25110 of the Corporate Securities Law of
11 1968 ("CSL") by offering or selling unqualified non-exempt membership units or any other
12 securities.

13 c. Violating Corporations Code Section 25401 by offering or selling or buying or
14 offering to buy investment contracts or any other securities by means of any written or oral
15 communication which includes an untrue statement of a material fact or omits to state a material
16 fact necessary in order to make the statements made, in light of the circumstances under which
17 they were made, not misleading.

18 d. Violating the Commissioner's Desist and Refrain Order Issued against Defendants
19 CanAm Capital Corp., Jay Jordan Barnhardt and Kelly Keith Morgan on February 11, 2009.

20 e. Removing, destroying, mutilating, concealing, altering, transferring, or otherwise
21 disposing of, in any manner, any books, records, documents, correspondence, brochures, manuals,
22 or other documentation of any kind in the possession, custody or control of any of the Defendants
23 that relate in any way to the offer and sale of securities, specifically, but not limited to, units of
24 membership in limited liability companies.

25 f. Transferring, changing, disbursing, selling, dissipating, converting, pledging,
26 assigning, foreclosing or otherwise disposing of any real or personal property or other assets, in
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their possession or under their control, or in the possession of, or under the control of, any of them, which property or other assets are or were to be held for the benefit of defendants' investors and/or creditors, or by any person for the benefit of any investors and/or creditors of defendants, and each of them, whether in trust or otherwise, without further Order from this Court.

g. Withdrawing from any bank account, transferring, changing, disbursing, selling, dissipating, converting, pledging, assigning, foreclosing, or otherwise disposing of any real property or personal property in their possession or under their control, or in the possession of, or under the control of, any of the Defendants, which property or other assets were derived or emanated from directly, or indirectly, the sale or purchase or offer to sell or purchase, investment contracts or other securities, without further Order from this Court.

IT IS FURTHER ORDERED THAT:

1. A freeze be placed on all funds, negotiable instruments and/or assets held in any bank, savings or checking, brokerage or other accounts, certificates of deposit, safe deposit box, or otherwise, without limitation, in the name of CANAM CAPITAL CORP.; PREMIER EQUITY FUND, LLC; PREMIER EQUITY FUND II, LLC; PREMIER EQUITY FUND III, LLC; PREMIER EQUITY FUND IV, LLC; JAY JORDAN BARNHARDT aka Jay J. Barnhardt aka J.J. Barnhardt; KELLY KEITH MORGAN aka Kelly Morgan; AARON KANE BARNHARDT aka Aaron Barnhardt, and Does 1 through 10, inclusive, or for the benefit of defendants directly or indirectly, and each of them, including, but not limited to:

- A. First Commerce Bank
- B. Bank of America
- C. Wells Fargo
- D. First Western Trust Bank

And any depository or investment account in any financial institution that the Receiver may discover at a later date containing investor funds, upon presentation of this Order.

2. The banks and financial institutions listed above shall not notify the account holders of this Order, unless further ordered to do so by this Court.

THE COURT FURTHER FINDS THAT

1. Good cause exists for the appointment of a receiver and that Peter A. Davidson is qualified to act as such receiver.

IT IS THEREFORE ORDERED THAT:

1. Receiver be authorized and directed to take possession of all real and personal property and assets of defendants whether directly or indirectly owned, beneficially or otherwise by, or in the possession, custody or control of defendants, and each of them, and such Does as may be subsequently named (hereinafter "receivership defendants"), and their respective subsidiaries and affiliates, and their successors and assigns wherever situated, or to which receivership defendants have any right of possession, custody or control, beneficially or otherwise, irrespective of whosoever holds such assets, including all such assets which receivership defendants carry or maintain, or which may be received during the pendency of this receivership, in order to obtain an adequate accounting of receivership defendants' assets and liabilities and to secure a marshalling of said assets; and

2. For good cause appearing, the Receiver's bond is set at \$10,000.00.

3. Upon his appointment and entering upon his duties, the receiver is authorized, empowered and directed: to marshal, collect, review, observe, discover and take charge of all the real and personal property, premises and other assets of, or in the possession of or under the control of receivership defendants, beneficially or otherwise, or wherever else situated, including, but not limited to the following premises:

1. CanAm Capital Corp. 1875 Century Park East, Suite 1860, Los Angeles, California 90067

2. Premier Equity Fund, LLC, 1875 Century Park East, Suite 1860, Los Angeles, California 90067

3. Premier Equity Fund II, LLC, 1875 Century Park East, Suite 1860, Los Angeles, California 90067

4. Premier Equity Fund III, LLC, 1875 Century Park East, Suite 1860, Los Angeles, California 90067

5. Premier Equity Fund, IV, LLC, 1875 Century Park East, Suite 1860, Los Angeles, California 90067

6. Jay Jordan Barnhardt, 2271 Century Hill, Los Angeles, California 90067, Los Angeles County

7. Aaron Kane Barnhardt, 11260 Overland Ave., #25-B, Culver City, California 90230

8. Kelly Keith Morgan, 3626 Carmona Ave., Los Angeles, California 90016

and all accounts or safe deposit boxes of receivership defendants in financial depository or other institutions, including, but not limited to the following:

- A. First Commerce Bank
- B. Bank of America
- C. Wells Fargo
- D. First Western Trust Bank

and of any other property in which receivership defendants have an interest, regardless by whom it may be held, beneficially or otherwise, on an ongoing and continual basis pursuant to this court's order. No other signatory, including spouses or relatives of receivership defendants, on any bank account, investment account or safe deposit box may withdraw or cause to be withdrawn any amount from the accounts frozen by this or any related order, except by Order from the Court. Periodically, as set forth in subparagraphs (6) and (7), below, the receiver shall report to this Court the results of the review, observation, discovery and abstracts resulting from the activities of the receiver as ordered by this Court, and specifically on any commingling of funds, unauthorized loans or other disposition of property of whatever description between any and each of the receivership defendants herein and/or any person, corporation, entity, sole proprietorship, affiliate, association of whatever type or structure, whether or not said entities are or are not defendants in this action;

1 4. To employ the law firm of Ervin Cohen & Jessup LLP where the receiver is a
2 partner. The receiver may employ such other attorneys and persons upon further order of this
3 Court to assist the receiver in the performance of his duties and responsibilities, such employment
4 to be approved by the Court upon ex parte application of the receiver;

5 5. To employ other such persons, including accountants, investigators, clerical and
6 professional personnel, and the receiver's in-house staff and counsel, to perform such tasks as may
7 be necessary to aid the receiver in the performance of his duties and responsibilities, without
8 further order of the court;

9 6. To file, within thirty (30) days of his qualification and appointment hereunder, an
10 initial inventory of all property, which he shall then have reviewed, observed and/or discovered
11 pursuant to this Court's order. Additionally, the receiver is to file one or more supplemental
12 inventories when and if he shall subsequently come into knowledge of additional items
13 appropriate to the inventory;

14 7. To undertake an independent review into the affairs and transactions of
15 receivership defendants and to file with this Court, within 120 days, and every six months
16 thereafter, a report detailing the receiver's findings of his review of the condition of receivership
17 defendants, other affairs and transactions of receivership defendants, reflecting the existence of
18 any liabilities, both those claimed by others to exist and those to which the receiver believes to be
19 the legal obligations of each of said receivership defendants, including a review of any possible
20 conflicts of interest and any further information the receiver believes may assist in an equitable
21 disposition of this matter, and to include in the report the receiver's opinion regarding the ability
22 of said receivership defendants to meet their obligations as they come due, and the receiver's
23 recommendation regarding the necessity for, and the best method of handling, preserving, or
24 disposing of said assets;

25 8. To invest funds of the receivership estate in any interest-bearing obligations of the
26 United States or in any interest-bearing accounts in financial institutions approved by the United
27 States or in any interest-bearing accounts in financial institutions approved by the United
28 States;

States Trustee as an authorized depository for funds of bankruptcy estate, without further order of the Court; and to be the signatory on all bank accounts of receivership defendants, and each of them, including, but not limited to:

- A. First Commerce Bank
- B. Bank of America
- C. Wells Fargo
- D. First Western Trust Bank

And any depository or investment account in any financial institution that the Receiver may discover at a later date containing investor funds, upon presentation of this Order.

9. To bring such proceedings as are necessary to enforce the provisions hereof, including issuance of subpoenas to compel testimony or production of documents as to the existence or location of assets or any other information pertinent to the business, financial affairs, and other transactions of receivership defendants;

10. To bring such proceedings as are necessary to modify the provisions hereof, as the receiver deems appropriate;

11. To make such payments and disbursements from the funds so taken into custody, control and possession of the receiver or otherwise received by him, as may be necessary and advisable in discharging his duties as receiver, without further order of the court, including, without limitation, the payment of interim compensation to the receiver and persons or entities under (4) and (5) above, subject to the provisions of paragraphs 23 and 24;

12. To carry on any lawful business activity of the entities and persons or entities in receivership, to preserve investors' assets and to foreclose and/or actively seek and negotiate with potential buyers, assignees or other parties who may be interested in acquiring, purchasing, leasing, subleasing or renting real or personal property of defendants and to sell, lease, sublease or rent such real or personal property of defendants, subject to Court approval;

1 13. To institute, prosecute, defend, compromise, intervene in and become a party,
2 either in his own name or in the name of defendants, to such suits, actions or proceedings as may
3 be necessary for the protection, maintenance, recoupment or preservation of the assets or property
4 of receivership defendants, or in his custody, in his discretion, without further order of the Court;
5 and

6 14. To divert, take possession of and secure all mail of receivership defendants, in
7 order to screen such mail, retaining so much as relates to the business of receivership defendants,
8 and forwarding to the individual or other appropriate addresses so much as is not, in the receiver's
9 opinion, appropriate for retention by him, and to effect a change in the rights to use any and all
10 post office boxes and other mail collection facilities used by receivership defendants.

11 15. Upon the receiver's appointment, the receiver shall undertake an immediate review
12 of all readily available assets of the receivership defendants in order to determine the economic
13 viability of a receivership. Upon such review, if the receiver determines that sufficient assets are
14 readily available to fund the receivership, then the receiver shall file such finding with the Court,
15 and the receivership shall continue until further order of the Court. If upon initial review the
16 receiver determines that readily available assets are insufficient to maintain the receivership, then
17 the receiver shall so notify the Court, and may request that the Court dissolve the receivership, or
18 modify the duties and responsibilities of the receiver, and Plaintiff will not oppose such request, it
19 being understood that the receiver and professionals employed by the receiver shall not be
20 expected to perform services unless readily available assets exist to pay the expenses of the
21 receivership.
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23 16. The receiver shall cooperate fully with the California Department of Corporations,
24 and any other state and federal law enforcement or other regulatory agencies having jurisdiction
25 over matters relating to the conduct or business of defendants so as not to impair the ability of said
26 state and federal law enforcement regulatory agencies to perform their duly authorized
27 investigative and enforcement duties.
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1 17. Any state or federal law enforcement or regulatory agency having jurisdiction over
2 matters relating to defendants' business shall be permitted to review, without exception, all reports
3 of the receiver and all books, records, and files of defendants at any time during normal business
4 hours, with reasonable notice, and to make any abstracts or copies of said documents as it desires,
5 provided that nothing herein shall waive or abrogate any applicable attorney-client or other legally
6 recognized privilege.

7 18. The receiver's powers shall be in addition to, and not by way of limitation of, the
8 powers described in Corporations Code Sections 25530(a) and 29540, and Government Code
9 Section 13975.1 and Code of Civil Procedure Sections 564, et seq.

10 19. The receiver shall be vested with, and is authorized, directed and empowered to
11 exercise, all of the power of receivership defendants, their officers, directors, shareholders, general
12 partners or persons who exercise similar powers and perform similar duties; and that receivership
13 defendants, their officers, agents, employees, representatives, directors, successors in interest,
14 attorneys in fact and all persons acting in concert or participating with them, are hereby divested
15 of, restrained and barred from exercising any of the powers vested herein in the receiver.

16 20. Defendants, including, but not limited to the receivership defendants, their officers,
17 directors, shareholders, agents, servants, employees, attorneys, salespersons, successors, assigns,
18 subsidiaries, affiliates, and other persons or entities under their control and all persons or entities
19 in active concert or participation with defendants, and all persons owing a duty of disclosure to
20 defendants, and each of them, shall cooperate with the receiver in his investigation and shall
21 immediately turn over to the receiver records, computers and passwords, and/or access codes for
22 all computers and any security systems, documentation, charts and/or descriptive material of all
23 funds, assets, property owned beneficially or otherwise, and all other assets of receivership
24 defendants wherever situated, and all books and records of accounts, title documents and other
25 documents in the possession or under their control, which relate, directly or indirectly, to assets of
26 receivership defendants.
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1 21. Except by leave of this Court and during the pendency of this receivership, all
2 claimants, creditors, lessors and other persons seeking relief of any kind, in law or in equity, from
3 receivership defendants, and all others acting on behalf of any such persons, including sheriffs,
4 marshals, servants, agents attorneys and employees, are restrained and enjoined, directly or
5 indirectly, from:

6 a. Commencing, prosecuting, continuing or enforcing any suit or proceeding,
7 except by motion before this court;

8 b. Executing or issuing or causing the execution or issuance of any court
9 attachment, subpoena, replevin, execution or other process for the purpose of impounding or
10 taking possession of or interfering with or creating or enforcing a lien upon any property owned or
11 in the possession of receivership defendants, their subsidiaries or affiliates, or the receiver
12 appointed therein, wherever situated;

13 c. Commencing or continuing judicial or non-judicial foreclosure proceedings
14 or proceedings for the appointment of a receiver for any property owned or claimed by
15 receivership defendants in this action;

16 d. Creating, perfecting, or enforcing any lien or encumbrance against any real
17 or personal property;

18 e. Accelerating the due date of any obligation or claimed obligation;

19 f. Exercising any right of set-off;

20 g. Taking, retaining, retaking or attempting to retake possession of any real or
21 personal property;

22 h. Withholding or diverting any rent or other obligation; and

23 i. Doing any act or thing whatsoever to interfere with the possession of or
24 management by the receiver herein and of the property and assets owned, controlled or in the
25 possession of receivership defendants or to, in any way, interfere with the receiver or to interfere
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1 in any manner during the pendency of this proceeding with the exclusive jurisdiction of this Court
2 over defendants.

3 22. Any and all provisions of any agreement entered into by and between any third
4 party and receivership defendants, including, by way of illustration, but not limited to, the
5 following types of agreements (as well as any amendments or modifications thereto), mortgages,
6 partnership agreements, financial guarantee bonds, joint venture agreements, promissory notes,
7 remarketing agreements, loan agreements, security agreements, indemnification agreements,
8 subrogation agreements, subordination agreements, deeds of trust, pledge agreements, assignments
9 of rents and other collateral, financing statements, letters of credit, leases, insurance policies,
10 guarantees, escrow agreements, management agreements, real estate brokerage and rental
11 agreements, servicing agreements, consulting agreements, easement agreements, license
12 agreements, franchise agreements, construction contracts, or employment contracts that provide in
13 any manner that the selection, appointment, or retention of a receiver or trustee by any court, or
14 the entry of an order such as hereby made, shall be deemed to be, or otherwise operate as a breach,
15 violation, event of default, termination, event of dissolution, event of acceleration, insolvency,
16 bankruptcy, or liquidation, shall be stayed, and the assertion of any and all rights, remedies
17 relating thereto shall also be stayed and barred, except as otherwise ordered by this Court, and this
18 Court shall retain jurisdiction over any causes of action that have arisen or may otherwise arise
19 under any such provision.
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21 23. The receiver, the receiver's employees and agents, and professionals employed by
22 the receiver, are entitled to monthly payment of interim compensation for services rendered, at
23 their normal hourly rates, and monthly reimbursement for all expenses incurred by them on behalf
24 of the receivership estate, and the receiver is authorized to make such payments without further
25 order of the court. Within 10 days after such monthly payments, the receiver shall serve written
26 notice upon the counsel of record for receivership defendants of the amount paid to each payee,
27 with an itemization of the services rendered or expenses incurred.
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1 24. Interim monthly fees paid shall be subject to review and approval by this Court, on
2 a quarterly basis. This Court retains jurisdiction to award a greater or lesser amount as the full,
3 fair and final value of such services. In the event that extraordinary services are performed by the
4 receiver, or any professionals employed by the receiver, the Court may approve extraordinary
5 compensation to such persons.

6 25. Neither Plaintiff, the Commissioner of Corporations, the State of California, the
7 Department of Corporations, nor any officer, employee or agent of the Department, shall have any
8 liability for the payment, at any time, for any such fees or expenses in connection with said
9 receivership.

10 IT IS FURTHER ORDERED that Defendants their officers, agents, servants, employees
11 and attorneys, and any other persons who are in custody, possession or control of any assets,
12 collateral, books, records, computers, papers or other property of Defendants shall forthwith give
13 access to and control of such property to the Receiver.

14 IT IS FURTHER ORDERED that no officer, agent, servant, employee, or attorney of
15 CANAM CAPITAL CORP.; PREMIER EQUITY FUND, LLC; PREMIER EQUITY FUND II,
16 LLC; PREMIER EQUITY FUND III, LLC; PREMIER EQUITY FUND IV, LLC; JAY JORDAN
17 BARNHARDT; KELLY KEITH MORGAN; and AARON KANE BARNHARDT or their
18 subsidiaries or affiliates, shall take any action or purport to take any action, in the name of or on
19 behalf of any receivership defendant or any of their subsidiaries and affiliates, without the written
20 consent of the Receiver or order of this Court.
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22 IT IS FURTHER ORDERED that, except by leave of this Court, during the pendency of
23 this receivership, all clients, investors, trust beneficiaries, note holders, creditors, claimants,
24 lessors, and all other persons or entities seeking relief of any kind, in law or equity, from
25 Defendants and all persons acting on behalf of any such investor, trust beneficiary, note holder,
26 creditor, claimant, lessor, or other person, including sheriffs, marshals, servants, agents,
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1 employees, and attorneys, are hereby restrained and enjoined from, directly or indirectly with
2 respect to receivership defendants:

- 3 A. using self-help or executing or issuing or causing the execution or issuance of any
4 court attachment, subpoena, replevin, execution or other process for the purpose of
5 impounding or taking possession of or interfering with or creating or enforcing a
6 lien upon any property or property interest owned by or in the possession of
7 receivership defendants and any partnerships or joint ventures for which
8 receivership defendants are the Managing General Partner, wherever situated; and
9 B. doing any act or thing whatsoever to interfere with taking control, possession or
10 management by the Receiver appointed hereunder of the property and assets
11 owned, controlled or in the possession of receivership defendants or in any way to
12 interfere with or harass the temporary receiver or to interfere in any manner with
13 the discharge of his or her duties and responsibilities hereunder.

14 IT IS FURTHER ORDERED that receivership defendants and their subsidiaries and
15 affiliates and their officers, agents, servants, employees and attorneys, shall cooperate with and
16 assist the Receiver and shall take no action, directly or indirectly, to hinder, obstruct, or otherwise
17 interfere with the Receiver in the conduct of his duties or to interfere in any manner, directly or
18 indirectly, with the custody, possession, management, or control by the Receiver of the funds,
19 assets, collateral, premises, and chooses in action described above.

20 IT IS FURTHER ORDERED that each defendant named herein shall, within ten (10) days
21 of the entry of this Order, prepare and deliver to the Receiver a detailed and complete schedule of
22 all of his personal assets, including a description of the source of funds for the purchase of such
23 assets. For purposes of this Order, the term "assets" shall include income/compensation or right of
24 income/compensation from any source, and any financial or controlling interest in any business
25 entity, including, but not limited to, a partnership, trust, corporation, or limited liability company.
26 Such accounting shall be filed with the Court and a copy shall be delivered to the Receiver. After
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1 completion of the accounting, each defendant named herein shall produce to the Receiver at a time
2 agreeable to the Receiver, all books, records and other documents supporting or underlying the
3 accountings.

4 IT IS FURTHER ORDERED that within ten (10) days from the date of this Order, all
5 receivership defendants shall transfer to a trust account fund of the Receiver all assets, funds, and
6 other property that is presently held in foreign locations in the name of any receivership defendant
7 or for the benefit of or under the control of any of them, or over which any of them exercise actual
8 investment or other authority, including signatory authority.

9 IT IS FURTHER ORDERED that the Receiver shall determine upon taking possession of
10 the Property whether in the Receiver's judgment there is sufficient insurance coverage. With
11 respect to any insurance coverage in existence or obtained, the Receiver shall be named as an
12 additional insured on the policies for the period that the Receiver shall be in possession of the
13 Property. If sufficient insurance coverage does not exist, the Receiver shall immediately notify the
14 parties to this lawsuit and shall have thirty (30) calendar days to procure sufficient all-risk and
15 liability insurance on the Property (excluding earthquake and flood insurance) provided, however,
16 that if the Receiver does not have sufficient funds to do so, the Receiver shall seek instructions
17 from the Court with regard to whether insurance shall be obtained and how it is to be paid for. If
18 consistent with existing law, the Receiver shall not be responsible for claims arising from the lack
19 of procurement or inability to obtain insurance.
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21 IT IS SO ORDERED.

22 DATED: 1/20/11
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24 ANN I. JONES

25 JUDGE OF THE SUPERIOR COURT
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